

## Education should be a priority in our federal budget

Written by Mike Honda

Wednesday, 19 March 2008 19:00

---

My colleagues and I in the House passed a fiscally responsible [Federal Budget for Fiscal Year 2009](#) a few days ago, setting the nation on a better path and rejecting President Bush's failed and misguided policies. The President failed once again to recognize education as a pillar of long-term economic health. The Democratic budget restores 47 education programs the President's budget proposal would eliminate. Some of the programs we restored include student loan repayment assistance, several programs that improve teacher quality, and programs to bolster minority serving institutions. The blueprint my colleagues and I approved also makes college more affordable by increasing the size of Pell grants, which will help offset rising college costs. Last year, tuition and fees at four-year public colleges and universities increased by 6.6 percent - outpacing stagnant wages and growing more than inflation. Education is what will keep our nation competitive in a globalized economy. Education is a vital component of long-term economic health and our Democratic budget recognizes that. In total, our budget provides \$7.1 billion more for education than what the President requested. It does so in a fiscally responsible way, and does not add to the budget deficit the President and Congressional Republicans created through seven reckless years of revenue cuts and spending increases. Since 2001, the federal government went from a \$5.6 trillion surplus, to a \$3 trillion deficit. Our budget also addresses immediate issues such as affordable housing and tax relief for the middle class, whose bottom line has suffered over the past seven years. While the President directed tax cuts to the upper one percent of income earners, he ignored the middle class and irresponsibly increased spending. In areas such as Silicon Valley, where the median price of a three-bedroom home is more than \$600,000, sound federal policies that address the housing crisis are critical. One million units of affordable housing have been lost nationwide since 2001, and 2.8 million homeowners are at risk of losing their homes to foreclosure. The Democratic budget includes provisions to create an affordable housing fund and increases funding for rental assistance. It also calls for immediate action on the home foreclosure crisis and highlights its impact on communities and local economies. Furthermore, our budget protects 20 million American middle class families who would be ensnared by the Alternative Minimum Tax (AMT), a tax once meant to collect from high-income earners who were using loopholes to pay little. The AMT was never indexed for inflation, however, and will catch millions of people who were never intended to pay that tax. The President calls for balancing the federal budget using revenue from those middle class Americans, while keeping tax cuts for the richest one percent of the population permanent. The Democratic budget takes us in a new direction in favor of the middle class. By closing unfair loopholes, we protect the middle class from \$70 billion in taxes, without increasing the deficit.